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March 4, 2024

The Honorable Brian Feldman
Chair, Senate Education, Energy, and the Environment Committee
2 West
Miller Senate Office Building
Annapolis, Maryland 21401

Support for SB 0642 - Maryland Beverage Container Recycling Refund and Litter Reduction Program

Dear Chair Feldman and Members of the Senate Education, Energy, and the Environment Committee:

I am writing to convey our strong support for SB 0642.

Constellium is a global industry leader in the production and recycling of aluminum products, with its U.S. headquarters in Baltimore, Maryland. We supply the packaging, automotive, and aerospace markets, and recycle both scrap and used beverage cans (UBCs). We are a public company, listed on the New York Stock Exchange, with 12,000 employees and over \$7.5 billion in revenue.

As a company that recycles just in the United States more than 20 billion beverage cans a year, the availability of scrap is critical to our operations. We manufacture aluminum cansheet that our customers use to produce cans for popular beverages such as Coke, Pepsi, and Budweiser, and our products currently include more than 70% recycled content. We strive to promote the circularity of our products by recycling used cans and transforming them into new ones. Ensuring a steady supply of UBCs is one of our top priorities, and we use UBCs from across the United States.

Using recycled cans instead of primary aluminum also allows us to significantly decrease our CO2 emissions, one of our key public commitments in terms of sustainability, and one that our customers and investors follow closely. Recycling aluminum emits 94% fewer emissions than producing primary metal. Without recycled aluminum, our carbon emissions would increase by close to 50%, while today we committed to decrease them by 30% in 2030.

Unfortunately, at around 45%, the overall recycling rate for UBCs in the U.S. is still quite low. With demand for product packaged in aluminum cans expected to increase significantly, cansheet producers like Constellium will be forced to rely increasingly on primary aluminum, much of which is imported. By itself, SB 0642 will have a measurable impact on the availability of recycled UBCs as data from the United States and globally proves that deposits are the most effective way to increase recycling. And if other states follow, we will be able to do better as a country.

SB 0642 would also contribute to Maryland's economy, in addition to protecting the environment. The aluminum can recycling rate in Maryland is currently around 23% according to the 2024 State of Recycling Report from the Recycling Partnership. Concretely, this means that close to 1 billion cans are being sent to landfill every year. If we were to recycle them instead, and reach a 90% rate, we would generate around \$20 million of additional revenue for the State of Maryland in addition to reducing waste.

Thank you for your willingness to take on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Dahan-Kocher', with a long horizontal flourish extending to the right.

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